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In the Supreme Court of the United States

CUOZZO SPEED TECHNOLOGIES, LLC, PETITIONER

v.

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, PATENT AND TRADEMARK OFFICE

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

AMICI CURIAE BRIEF OF 3M COMPANY, BRISTOL-MYERS SQUIBB CO., CARGILL INCORPORATED, CATERPILLAR INC., ELI LILLY AND COMPANY, EXXON MOBIL CORPORATION, GLAXOSMITHKLINE LLC, ILLINOIS TOOL WORKS INC., JOHNSON & JOHNSON, MONSANTO COMPANY, PFIZER INC., PHILIPS ELECTRONICS NORTH AMERICA CORP., THE PROCTER & GAMBLE COMPANY, QUALCOMM INCORPORATED AND SANOFI US IN SUPPORT OF PETITIONER

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INTEREST OF AMICI CURIAE[1]

Amici 3M Company, Bristol-Myers Squibb Co., Cargill Incorporated, Caterpillar Inc., Eli Lilly and Company, Exxon Mobil Corporation, GlaxoSmithKline, Illinois Tool Works Inc., Johnson & Johnson, Monsanto Company, Pfizer Inc., Philips Electronics North America Corp., The Procter & Gamble Company, Qualcomm Incorporated and Sanofi US are among the most accomplished American innovators. Together they spend tens of billions of dollars annually and employ hundreds of thousands scientists, engineers, and others in the United States to develop, produce, and market new products. To protect their inventions, Amici collectively hold tens of thousands of patents and seek many more every year from the United States Patent & Trademark Patent Office (the "PTO").

Because of the nature of their businesses, Amici participate extensively in patent litigation, to enforce their patent rights against infringers and to defend against alleged infringement. Amici have a substantial interest in the correct and consistent interpretation of the patent laws, including the PTO's implementation of inter partes reviews

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[1] No counsel for a party authored this brief in whole or in part, nor has any counsel, party or third person other than Amici made any monetary contribution intended to fund the preparation or submission of this brief. The parties have consented to the filing of this brief. Petitioner has filed a letter granting blanket consent; Respondent's written consent to the filing of this brief is being submitted the Clerk of this Court contemporaneously with this brief.

("IPRs"), post-grant reviews ("PGRs"), and covered business method patent reviews ("CBMs") brought under the Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284 (2011).[2]

INTRODUCTION

The Federal Circuit's divided decision below erred in endorsing the PTO's rule that an issued patent's claims, when adjudicated in an IPR proceeding, be given their "broadest reasonable interpretations," rather than limited to their actual, intended claim scope, as they would be in district court litigation. With the AIA, Congress created an alternative form of adjudicative proceeding, meant to be an expedited and less expensive way to determine the validity of issued patents than district court litigation. But nothing in the statutory language or legislative history even suggests that Congress ever intended to make it easier for challengers to invalidate patents by having the PTO construe the claims more broadly in such proceedings than they would be construed in court, making them more likely to run afoul of otherwise distinguishable prior art.

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[2] This case presents the question of the proper claim construction standard to be used in IPR proceedings, and Amici therefore present their arguments in the context of IPR proceedings. However, the same issue arises in PGR and CBM proceedings, and the same claim construction standard should be used in all three of the new AIA post-issuance proceedings.

The decision below is contrary to the text and legislative history of the AIA, and disturbs the well-settled principle that the claims of an issued patent should be construed the same way for adjudication of infringement and validity. In order to ensure the proper implementation of the AIA as well as the proper functioning of the patent system as a whole, a uniform claim construction standard—that accurately delineates the legally-binding scope of the claimed invention—must be applied in PTO trials, district court litigation, and International Trade Commission ("ITC") investigations.

The PTO's application of the broadest reasonable interpretation ("BRI") standard has turned IPRs into infringer-friendly proceedings that have attracted three times more filings than originally expected. The vast majority of these filings involve co-pending infringement litigation, creating the potential for forum-shopping based on the application of different claim construction standards. As the number of IPRs multiplies, the likelihood of inconsistent claim construction rulings grows.

Uncertainty as to how the PTO will interpret the claims of thousands of issued patents in IPR proceedings creates opportunities for gamesmanship and conflicting results. This uncertainty undermines confidence in the patent system and chills investment in the development and commercialization of patent-protected technologies by both large corporations and small businesses. It encourages innovators to maintain technological advances as trade secrets, rather than disclosing

them to the public through the patent system, and it encourages would-be copyists to eschew negotiating licenses in favor of simply infringing. Unpredictable patent scope also frustrates legitimate design-around activities and interferes with other patent-related business decisions.

SUMMARY OF ARGUMENT

Amici urge this Court to reverse the Federal Circuit's ruling below to ensure that the PTO conducts and decides post-issuance proceedings consistently with the AIA, its legislative history and sound patent policy.

As this Court has recognized, the patent system "embodies a carefully crafted bargain for encouraging the creation and disclosure of new, useful, and nonobvious advances in technology and design in return for the exclusive right to practice the invention for a period of years." *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 150-51 (1989). In recognizing that an inventor is free to "keep his invention secret and reap its fruits indefinitely," the grant of a patent rewards the inventor for "disclosure and the consequent benefit to the community." *Id.* at 151. The public, at the same time, gains the benefit of the knowledge and ideas disclosed in the patent, upon which it can thereafter build, accelerating the "progress of science and the useful arts." U.S. Const., art. I, § 8, cl. 8.

The patent forms the basis for this contract, and the principal purpose of patent examination is to delineate the proper scope of protection to which the

inventor is entitled. This occurs through a back-and-forth dialogue with the patent examiner that defines and often narrows the metes and bounds of the patented invention. Once issued, a patent becomes the "personal property" of the patent owner. 35 U.S.C. § 261.

For decades, courts have respected the bargain struck between inventors and the Government when a patent issues. Courts have interpreted the claims of issued patents according to their plain and ordinary meanings to the skilled artisan, in view of the prosecution history that led to allowance of the claims. The legally-binding scope of patent claims informs licensing, development, commercialization and investment decisions, including, when necessary, assessments of validity and infringement.

Against this background, Congress enacted the AIA through which it intended to establish a less expensive and less time-consuming means to adjudicate the validity of issued patents.[3] To do so, Congress undertook to "convert" an existing PTO reexamination procedure—the underutilized and protracted inter partes reexamination proceeding—

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[3] An IPR proceeding is a procedure to challenge the validity of patent claims based on two forms of prior art: patents and printed publications. 35 U.S.C. § 311. A PGR proceeding, applicable only to post-AIA patents, permits a petitioner to challenge the validity of issued patents on any ground that could be raised under 35 U.S.C. § 282(b)(2) or (3), including 35 U.S.C. § 112. *See* 35 U.S.C. § 321. CBM proceedings allow challenges to the validity of certain "covered business method" patents, as defined by AIA § 18(d)(1).

"from an examinational to an ***adjudicative*** proceeding...," renamed as "inter partes review." H.R. Rep. No. 112-98, pt. 1 (2011), at 46-47 (emphasis added). Congress envisioned these new proceedings as providing an efficient, alternative forum to adjudicate the merits of third-party challenges to the validity of previously issued patents, not as further examination proceedings.

The PTO's promulgation of the BRI Rule, 42 C.F.R. § 42.100, which applies the broadest reasonable interpretation standard to the adjudication of issued patent claims in the newly-created IPR proceedings, abruptly departed from decades of precedent on the adjudication of issued patent claims by this Court and all other federal courts.

Application of the BRI Rule to issued claims in these adjudicative proceedings allows the PTO to ignore the prosecution history, relying instead on the literal claim language and the patent specification, regardless of how the claims may have been intentionally narrowed or further refined during examination. The applicant's admissions, estoppels, and claim scope clarifications that are routinely respected by the courts may be ignored by the PTO in IPR proceedings. The result is an unintended and artificial expansion of claim scope that makes patents more vulnerable to invalidation by the prior art. This concern is far from theoretical—it is real and immediate. The Federal Circuit is confronting cases in which the difference in claim construction standards is outcome determinative. This conflict threatens the carefully-crafted bargain struck

between the inventor and the Government, unfairly tipping the scales toward a finding of invalidity.

The BRI Rule also undermines a fundamental principle of patent law: the claims of an issued patent are to be construed consistently for purposes of adjudicating both infringement and validity. Infringement claims can only be adjudicated in the courts, which are required to determine the correct, legally-binding scope of issued claims based on the "ordinary and customary meaning." This inquiry considers all relevant intrinsic and extrinsic evidence—including the clarifying and narrowing responses to an examiner's rejections. The PTO's use of the BRI standard, by contrast, may ignore relevant evidence in the prosecution history and can mean the invalidation of issued patents that the applicant deliberately narrowed to avoid distinguishable prior art. This unexpected outcome unfairly deprives patent owners of the benefit of their bargain, defeats the intent of Congress, and threatens to impede the rate of innovation by individuals, universities, and large and small businesses alike. Congress created IPRs as expeditious, cost-effective alternatives to litigation, not as vehicles for the PTO to subject previously-issued patents to a tougher patent validity standard than would any court.

The PTO's primary justification for the BRI Rule has been the agency's long history of applying BRI in patent office ***examination*** proceedings, such as original examination, reexamination, and reissue. This incongruous reasoning underscores the weakness of the Government's position. The PTO's

historical examination practices, including its use of BRI, do not justify the use of the BRI Rule in these new and different ***adjudicatory*** proceedings that have no prior precedent in PTO proceedings. Through the AIA, Congress intended for the PTO to break away from its prior examinational proceedings by creating new trial-like proceedings to adjudicate the validity of issued claims.

The PTO's decision to give issued claims their "broadest reasonable interpretation" in post-issuance proceedings is contrary to the AIA and sound patent policy. Congress did not establish IPRs as an extension of patent examination or reexamination. In examination proceedings, it is appropriate for examiners to apply the "broadest reasonable interpretation" to claims because the proceedings involve a back-and-forth dialogue with the examiner in which applicants have the right to amend their claims in response to examiner rejections, along with the ability to make statements that clarify or narrow the claim scope. By contrast, Congress established the new post-issuance proceedings as adjudicative proceedings, to take place in a "court-like setting," H.R. Rep. No. 112-98, pt. 1, at 68, where the use of a broadest reasonable interpretation standard has never been condoned.

Consistent with this vision of post-grant proceedings as adjudicative rather than examinational, Congress restricted the patentee's ability to present new claims in these proceedings. A patentee is given no ***right*** to amend any claim in the course of the proceeding. Instead, a patentee is given the opportunity—in a single motion—to cancel

a challenged claim and then and, having done so, to ***propose*** a "reasonable number" of substitute claims. Whether the PTO allows any such amendment is left to its discretion.

In its divided decision below, the Federal Circuit panel erroneously interpreted the AIA as permitting the PTO to construe the claims of issued patents more broadly than the PTO and patent owner intended at the time of their original grants—and more broadly than any court would allow. Finding no express justification in the statutory language or legislative history, the panel held that Congress somehow "implicitly" approved the broadest reasonable interpretation standard in passing the AIA. *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1278 (Fed. Cir. 2015).

The panel majority erred in holding that Congress implicitly ratified BRI for use in such proceedings. The statute's express provisions and legislative history show that Congress intended to create an Article I adjudicatory proceeding within the PTO as an efficient alternative to Article III litigation of patent validity challenges. Indeed, the AIA expressly permits the PTO to consider "statements of the patent owner ... in which the patent owner took a position on the scope of any claim" in order to "determine the proper meaning of a patent claim" in post-grant proceedings. 35 U.S.C. § 301(a)(2) & § 301(d). By contrast, there is nothing in the statute or its legislative history showing, expressly or impliedly, that Congress intended to give challengers the ability to invalidate patents based on artificially broad claim scope.

The Federal Circuit panel's conclusion that, with the enactment of the AIA, Congress gave the PTO, for the first time, substantive rulemaking authority was also error. Moreover, the BRI Rule is unreasonable because it ignores the clear purpose of the AIA: to convert certain ***examinational*** proceedings into ***adjudicative*** proceedings.

The effect of the BRI Rule is to deprive patent owners of valuable property rights, create uncertainty, and invite gamesmanship. Introducing unpredictability into the meaning (and therefore value) of a patent is costly to the inventive community and discourages both innovation and investment. This Court should correct the Federal Circuit's misinterpretation of the AIA as to this issue of fundamental importance to the patent system.

ARGUMENT

I. The BRI Rule is Inconsistent with the Language of AIA and its Legislative History.

A. Congress Created a New Adjudicative Proceeding to Determine the Validity of Granted Patent Claims.

When it enacted the AIA, Congress created new adjudicative proceedings to litigate the validity of issued patents. The AIA's text and legislative history confirm that these court-like, streamlined proceedings should apply district court *Phillips* claim construction rules that have long applied to issued patents. *See generally Phillips.* Congress never intended that IPR proceedings would abandon the *Phillips* claim construction standard, under which

the legally correct meaning of a claim is determined, in favor of the artificially broad construction the PTO historically has used in its examination of pending claims and in reexamination.

The panel erroneously concluded that because "the broadest reasonable interpretation standard has been applied by the PTO ... for more than 100 years in various types of PTO proceedings," 793 F.3d at 1276, Congress "impliedly approved" the use of the BRI standard. The panel then erred in reasoning that the absence of an explicit statement from Congress that *Phillips* claim construction standards should apply to post-issuance proceedings amounted to an implicit endorsement of the BRI Rule.

These conclusions are unfounded. As dissenting Judge Newman explained, "the question before this court is not whether to 'eliminate' BRI, but whether to impose it on issued patents, where it has not previously reposed." *Id.* at 1306. Congress made no explicit reference to any claim construction standard applicable to AIA post-issuance proceedings. Its silence does not support "inferring" that Congress intended to adopt the use of BRI—a standard that no federal court has applied to adjudicate an issued patent's claims. *See, e.g.*, *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 160 (2000) ("Congress could not have intended to delegate a decision of such ... significance to an agency in so cryptic a fashion.").

As pointed out in the joint dissent from the denial of rehearing below, "our background of existing law not only fails to support the conclusion

drawn by the panel majority, it points to the ***opposite*** result." *Cuozzo*, 793 F.3d at 1300 (emphasis in original). The well-settled law governing actual meaning of ***issued*** patents (of which Congress was well-aware at the time it enacted the AIA), the historical basis for using the BRI standard in examination and reexamination proceedings, and the legislative history of the AIA all point to the panel majority's error.

The claims of an issued patent define the invention's metes and bounds. 35 U.S.C. § 112(b). It is the job of the courts to interpret the claims and determine the scope of patented inventions as part of the infringement and validity analysis. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995) (*en banc*) *aff'd* 517 U.S. 370 (1996). To determine this "ordinary and customary" meaning, courts begin with intrinsic evidence: the claims, specification and prosecution history. *Phillips*, 415 F.3d at 1313. Intrinsic evidence is critical because it "constitute[s] the public record of the patentee's claim, a record on which the public is entitled to rely." *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996). The specification is relevant to determine whether the inventor has used any claim terms in a manner inconsistent with their ordinary meaning. *Id.* Likewise, the prosecution history provides guidance as to the scope of the claims because it contains:

> the complete record of all the proceedings before the Patent and Trademark Office, including any express representations made by the

> applicant regarding the scope of the claims. As such, the record before the Patent and Trademark Office is often of critical significance in determining the meaning of the claims.... Included within an analysis of the file history may be an examination of the prior art cited therein.

Id. at 1582-83 (citing *Graham v. John Deere*, 383 U.S. 1, 33 (1966)). For decades, this body of intrinsic evidence has served as the primary record by which courts adjudicating patent validity and infringement have determined the "ordinary and customary" meaning of patent claims. *Phillips*, 415 F.3d at 1313. In addition to considering the intrinsic evidence, courts can also look to extrinsic evidence to elucidate further the meaning of claim terms. *See Teva Pharms. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831, 841 (2015); *id.* at 837 (noting that "extrinsic evidence may help to 'establish a usage of trade or locality'" (citation omitted)).

By contrast, the PTO historically has used the BRI standard to consider pending patent claims in examination or unexpired issued claims in reexamination. This examination protocol gives claims "their broadest reasonable interpretation consistent with the specification" but does not consider the full range of intrinsic and extrinsic evidence used by district courts to determine the actual meaning of the claims. *Manual of Patent Examining Procedure* ("MPEP"), § 2111; *see also, e.g, In re ICON Health & Fitness*, 496 F.3d 1374, 1379 (Fed. Cir. 2007) (stating that under the BRI

standard "we look to the specification to see if it provides a definition for claim terms, but otherwise apply a broad interpretation"). Under the BRI standard, the PTO has traditionally construed claims without reference to the prosecution history. *In re Zletz*, 893 F.2d 319, 321 (Fed. Cir. 1989) (stating that "[d]uring patent examination the pending claims must be interpreted as broadly as their terms reasonably allow" in contrast to district court where "claims of issued patent interpreted in light of specification, prosecution history, prior art, and other claims"); *see also In re Suitco Surface, Inc.*, 603 F.3d 1255, 1259 (Fed. Cir. 2010) (PTO applying BRI must give patent claims their "broadest reasonable construction consistent with the specification").[4] The PTO also uses BRI in most

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[4] Compounding the problems associated with the BRI Rule, the PTAB in practice has been inconsistent in its use of BRI. Although the BRI rule does not require it, some PTAB panels have nonetheless considered the prosecution history of a patent in IPR proceedings, and the Federal Circuit has recently indicated some acceptance of this practice. *See, e.g.*, *TriVascular, Inc. v. Samuels*, No. 2015-1631, 2016 U.S. App. LEXIS 1949, at *7 (Fed. Cir. Feb. 5, 2016) ("Under a broadest reasonable interpretation, words of the claim must be given their plain meaning, unless such meaning is inconsistent with the specification and prosecution history."), *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1298 (Fed. Cir. 2015) ("The PTO should also consult the patent's prosecution history in proceedings in which the patent has been brought back to the agency for a second review.").

This approach is contrary to the very definition of BRI in the MPEP. MPEP § 2111 ("Patented claims are not given the broadest reasonable interpretation during court proceedings ... [where they] can be interpreted based on a fully developed

reissue, ex parte, and inter partes reexamination proceedings, in which it examines claims in the same manner as claims in pending patent applications.[5]

The goals underlying claim construction in patent examination and in district court litigation are materially different. BRI is "an administrative tool used by the PTO upon initial consideration of claims, aimed at 'fashion[ing] claims that are precise, clear, correct, and unambiguous,' a goal much to be desired." *Flo Healthcare Solutions, LLC v. Kappos*, 697 F.3d 1367, 1378-1379 (Fed. Cir. 2012) (internal citations omitted). Later, when an issue of claim scope arises in a district court infringement litigation, "the search is for the one 'correct' interpretation that reflects those qualities." *Id.* at

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prosecution record. In contrast, an examiner must construe claim terms in the broadest reasonable manner during prosecution as is reasonably allowed in an effort to establish a clear record of what applicant intends to claim."). This inconsistent and sometimes arbitrary approach adds to the unpredictability surrounding the meaning of issued patent claims, to the detriment of patent owners, the inventing community, and the public, undermining confidence in the patent system as a whole.

[5] The PTO's justification for using BRI in examination and reexamination is the patentee's ability to amend freely. *In re Prater*, 415 F.2d 1393, 1404-05 (C.C.P.A. 1969) ("[C]laims yet unpatented are to be given the broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims, the thought being to reduce the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified.").

1379. With the creation of IPR proceedings, Congress intended to provide a less expensive and less time-consuming forum in which to adjudicate the validity of the personal property rights of patent owners. It did not intend that the PTO would adjudicate issued patents using a standard that no court in this country had ever applied to the adjudication of an issued patent in decades of patent jurisprudence, unfairly tipping the balance toward a finding of invalidity.

B. Congress Recognized the Distinction Between a Continued Examination Procedure and an Adjudicative Proceeding.

The legislative history of the AIA shows that Congress did not intend to create an incongruous double standard for determining validity in the PTO and the courts. Rather, the House Report repeatedly refers to the new post-issuance proceedings as adjudicative proceedings, designed to provide speedier and cheaper procedures for resolving invalidity challenges that previously could be heard only in district courts. The House Report draws a sharp distinction between PTO examination proceedings and adjudicative proceedings: "[t]he Act ***converts*** inter partes reexamination from an examinational to ***an adjudicative proceeding***, and renames the proceeding 'inter partes review.'" H.R. Rep. No. 112-98, pt. 1, at 46-47 (emphasis added).

In 1999, Congress created inter partes reexaminations[6] as an avenue for ongoing third-party participation in reexamination proceedings as part of the American Inventors Protection Act of 1999, Pub. L. No. 106-113, §§ 4001-4808, 113 Stat. 1501, 1501A-552 to -591. With the addition of the inter partes reexamination proceeding, the patentee or a third party could "obtain review and if necessary correction of the claims resulting from the initial examination of the patent." *Bloom Eng'g Co. v. North Am. Mfg. Co.*, 129 F.3d 1247, 1249 (Fed. Cir. 1997). In both types of reexamination proceedings, the patent owner was allowed to "propose any amendment to his patent and a new claim or claims thereto, in order to distinguish the invention as claimed from the prior art." 35 U.S.C. § 305. Although inter partes proceedings permitted third-party involvement in reexaminations, they took on average about three years to complete and were costly. USPTO, *Inter Partes Reexamination Statistics* (Sept. 2014), available at http://www.uspto.gov/sites/default/files/documents/inter_parte_historical_stats_roll_up_EOY2014.pdf.

IPRs and the other new post-issuance proceedings represented a dramatic break from prior PTO examination proceedings, including inter partes reexaminations, which had proven unwieldy and

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[6] Ex parte reexamination permits a challenger to bring prior art to the attention of the examiner, but the challenger is not thereafter permitted to participate in the procedure, which is conducted according to those established for initial examination. 35 U.S.C. § 305.

ineffective. 157 Cong. Rec. S5326 (daily ed. Sept. 9, 2011) (statement by Sen. Leahy) ("The current inter partes reexamination process has been criticized for being too easy to initiate and used to harass legitimate patent owners, while being too lengthy and unwieldy to actually serve as an alternative to litigation when users are confronted with patents of dubious validity."); 157 Cong. Rec. S1041 (daily ed. March 1, 2011) (statement by Sen. Kyl) ("Senators Feingold and Coburn and I also recommended that the Patent Office be allowed to operate inter partes reexamination as an adjudicative proceeding, where the burden of proof is on the challenger.... The present bill makes this change, repealing requirements that inter partes be run on an examinational model and allowing the PTO to adopt an adjudicative model.").

As the House Report explained, the AIA would "[e]stablish a new procedure, known as post-grant review, to review the validity of a patent. This option .... would take place in a ***court-like proceeding***...." H.R. Rep. No. 112-98, pt. 1 at 68 (emphasis added); *see also id.* at 75 (describing PGR and IPR as "***adjudicative systems***") (emphasis added). The legislative history clearly shows Congress' intent to create adjudicative proceedings that, to assess the validity of patents, would use the same legal framework as Article III courts use to adjudicate issued patents. There is no indication that Congress intended to create new and fundamentally different substantive standards for assessing patent validity when patents are adjudicated in the PTO's Article I courts.

Indeed, even the PTO has recognized that IPRs are fundamentally litigation proceedings. *E.g.*, *Google Inc. v. Jongerius Panoramic Techs., LLC*, IPR2013–00191, Paper 50, at 4 (PTAB Feb. 13, 2014) (stating that "[a]n inter partes review is neither a patent examination nor a patent reexamination. Rather, it is a trial, adjudicatory in nature and constitutes litigation."). In response to the AIA's requirement that IPRs and PGRs be heard by three-judge panels of the Patent Trial and Appeal Board ("PTAB"), 35 U.S.C. § 6(c), the PTO published a "Trial Practice Guide" setting forth rules for what it called post-grant "trial proceedings before the Board." 77 Fed. Reg. 48756, 48756 available at: http://www.uspto.gov/sites/default/files/ip/boards/bpai/trial_practice_guide_74_fr_48756_081412.pdf. The PTO also established pretrial and trial procedures, including initial disclosures and e-discovery, scheduling orders, cross-examination of live witnesses, motions to exclude evidence, and oral argument. *Id.* To conduct the new trials, the PTO quickly began hiring additional administrative patent judges, more than doubling their number in four years. Patent Public Advisory Committee Quarterly Meeting, *Patent Trial and Appeal Board Update*, http://www.uspto.gov/sites/default/files/about/advisory/ppac/20140814_PPAC_PTABUpdate.pdf at 32.

In its brief opposing certiorari, the Government acknowledged the AIA's emphasis on court-like proceedings, but argued that the PTO has employed the BRI standard with court approval in inter partes reexamination and ex parte reexamination proceedings. Gov't Br. at 12-13. This

argument has little bearing here precisely because the AIA sought to "convert" inter partes reexamination proceedings into "adjudicative" IPRs. H.R. Rep. No. 112-98, pt. 1, at 46. The Government's argument fails to appreciate that the AIA directed the PTO ***not*** to continue business as usual, but to create new, court-like proceedings to adjudicate the validity of issued patent claims.

The Government also attempts to justify the BRI Rule on the basis that the PTO has discretion to consolidate a reexamination and an IPR (Gov't Br. at 13-14). *See* 35 U.S.C. § 315(d) ("during the pendency of an inter partes review, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the inter partes review or other proceeding or matter may proceed, including providing for ... consolidation...."). The Government then asserts that because of this theoretical possibility of consolidation, it is more efficient to apply a single BRI claim construction standard in both types of proceedings. Gov't Br. at 14-15.

This argument is misplaced. The AIA gave the PTO ***discretion*** as to whether to consolidate proceedings involving a given patent. Nothing in the AIA requires the PTO to consolidate proceedings in which patent claims are construed differently. If the application of different claim constructions would be problematic, the PTO, in its discretion, is free not to consolidate. In practice, the PTAB typically denies motions to consolidate precisely because it makes little sense to treat examinational and adjudicative proceedings in the same manner. It has denied a

motion to consolidate on the ground that "an ex parte reexamination proceeding is quite different from an ***inter partes*** review," in that "[a]n ***inter partes*** review ... is adjudicatory in nature, and constitutes a proceeding that is different from examination." *Ford Motor Co. v. Signal IP, Inc.*, IPR 2015-00860, Paper 14, at 3-4 (PTAB Nov. 17, 2015) (holding that "although the Board has the authority to consolidate a reexamination proceeding and an inter partes review, there is an inherent tension in attempting to unify proceedings that ... are intended to be distinct in type from one another"). Moreover, the Government sets forth no reason why, in such a hypothetical consolidated IPR proceeding, the PTAB could not apply *Phillips* as the governing claim construction standard.

Finally, while the harm associated with having inconsistent constructions of issued claims in litigation and the new PTO adjudicative proceedings is real and serious, any harm from the application of different claim construction standards in consolidated IPR and examinational proceedings is largely hypothetical and entirely avoidable. PTO consolidation is relatively unusual, whereas at least 80% of the PTO's post-grant proceedings involve a related, concurrent district court case.[7] J. Steven Baughman, et al., *Coordinating PTAB and District Court Litigation*, Prac. L.J., Dec. 2014/Jan. 2015, at 34, 36. Since the district courts are bound to apply

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[7] In contrast, the Government offers no statistics to support its purported concerns about inconsistencies with other proceedings in the PTO.

the *Phillips* claim construction standard rather than the BRI standard, the clash of competing standards is unavoidable.

C. AIA Post-Issuance Proceedings Provide Patent Owners No Meaningful Opportunity to Amend Patent Claims.

The panel below and the Government in its opposition to certiorari (Gov't Br. at 12) rely on a patentee's theoretical ability to amend claims during an IPR to justify the application of the BRI Rule. *See* Gov't Br. at 12 (arguing that the "applicability [of BRI] turn[s] on whether ...the language of the patent claim is still subject to amendment"). This argument is a red-herring. The strict statutory limitations on amendments in post-issuance proceedings underscore that these proceedings are not examinational in nature.

First, in contrast to examination procedures, the AIA does not confer upon the patentee any ***right*** to amend claims in post-grant proceedings. Rather, under § 316(d), the patentee is entitled only to file a ***motion*** to cancel a challenged claim or to propose a substitute claim. 35 U.S.C. § 316(d). There is no requirement that the PTO allow such a motion—in contrast to the continuing right of a patentee to amend any or all claims in examination and reexamination proceedings, upon which the Federal Circuit relied in upholding the use of BRI there. *See In re Yamamoto*, 740 F.2d 1569, 1571-72 (Fed. Cir. 1984) ("An applicant's ability to amend his claims to avoid cited prior art distinguishes proceedings before

the PTO from proceedings in federal district courts on issued patents.").

Not only does the AIA leave motions to amend solely within the discretion of the PTAB, but the PTO's regulations further restrict their availability. For example, the PTO requires a patent owner to confer with the Board prior to filing a motion to amend claims, 37 C.F.R. § 42.121(a), and that motion must "be filed no later than the filing of a patent owner response." 37 C.F.R. § 42.121(a)(1). The burden is on the patent owner to show that each proposed substitute claim is patentably distinct over the prior art and also to identify prior art known to the patent owner. 37 C.F.R. § 42.20(c); *Idle Free Sys., Inc. v. Bergstrom, Inc.*, IPR2012-00027, Paper 26, at 7 (PTAB June 11, 2013).[8] A patent owner moving to amend claims must address the specific technical disclosure of the closest prior art known to the patent owner. *Id.* at 7. These arduous restrictions make claim amendment unlikely, further evidencing PTO's recognition that AIA proceedings are adjudicatory, not examinational.

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[8] The PTAB's decision in *Idle Free* outlines the Board's requirements for a motion to amend and has been designated as "informative" concerning Board norms for motions to amend. *See Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1304 (Fed. Cir. 2015). The decision acknowledges that the restrictions on amending claims reflect the fact that "[a]n inter partes review is more adjudicatory than examinational, in nature... If a patent owner desires a complete remodeling of its claim structure according to a different strategy, it may do so in another type of proceeding before the Office." *Idle Free*, IPR2012-00027, Paper 26, at 6.

PTAB statistics confirm that the PTO has denied almost all motions to amend in IPRs. As of October 2015, the PTAB had allowed just six motions to amend in IPR proceedings. Matt Cutler, *3 Years Of IPR: A Look At The Stats*, Law360 (last visited Feb. 4, 2016), http://www.law360.com/articles/699867/3-years-of-ipr-a-look-at-the-stats. Other statistics suggest that only about 6% of such motions to amend are granted. *See* Fitzpatrick, Cella Harper & Scinto, *Just The Stats: IPR: Decisions On Requests To Amend The Claims*, http://www.postgranthq.com/statistics/ipr-decisions-on-requests-to-amend-the-claims/. The statistics confirm the bottom line: motions to amend are unavailable in practice. The PTO cannot rely on such an illusory avenue for amendment to justify its application of the BRI Rule in these proceedings.

Indeed, the PTO's most recent proposed rule changes and accompanying commentary underscore that the limited ability to amend claims cannot justify the BRI Rule. In response to public comment that motions to amend should be "liberally allowed" in IPRs, the PTO highlighted the critical differences between the post-grant proceedings created by statute and other types of PTO examinational proceedings that freely permit amendments. The PTO stated that it would not adopt the suggested changes because "by statute, motions to amend cannot be entered in the same way as amendments that are entered during prosecution...." PTO Proposed Rules, 80 Fed. Reg. No. 161, 50720, 50724.

The PTO further acknowledged the critical differences in the amendment process in examination

proceedings—where BRI has long been used—and AIA post-issuance proceedings:

> AIA proceedings are neither ex parte patent prosecution nor patent reexamination or reissue. The Board does not conduct a prior art search to evaluate the patentability of the proposed substitute claims.... If a motion to amend is granted, the substitute claims become part of an issued patent, without any further examination by the Office. Because of this constraint, the Office has set forth rules for motions to amend that account for the absence of an independent examination by the Office where a prior art search is performed as would be done during prosecution, reexamination, or reissue.

Id. The PTO's defense of the many limitations on amending claims in IPRs confirms that post-issuance proceedings bear no resemblance to examination, reissue or reexamination proceedings.

D. The Provisions of the AIA Confirm that Congress Did Not "Ratify" the BRI Standard.

With regard to statutory interpretation, the panel majority had it backwards. In fact, the statutory language only confirms Congress' understanding that the *Phillips* claim construction standard would be used by the PTO in post-issuance

proceedings. Reflecting Congress' vision of IPRs as adjudicative proceedings, the AIA mandates discovery, experts, and the parties' rights to a hearing and final written decision. 35 U.S.C. §§ 316, 318. The AIA also places the burden of proof on the petitioner, just as the patent challenger bears the burden of proof in district court. *Id.* §§ 316(e).

Other provisions of the AIA confirm that Congress intended the PTO to apply *Phillips* claim construction to determine the legally correct meaning of the claims. Section 325(d) authorizes the PTO Director to consider the patent's prosecution history (including statements made by the patentee) in deciding to institute a proceeding. 35 U.S.C. § 325(d). The AIA also authorizes the PTO to consider "statements of the patent owner filed in a proceeding before a Federal court or the Office in which the patent owner took a position on the scope of any claim of a particular patent" in construing claims during an AIA post-grant proceeding. *Id.* §§ 301(a)(2) & (d). Congress indicated that the PTO fully and freely consider the prosecution history and all statements made in related proceedings. Had Congress intended that the PTO apply BRI, these statutory provisions would have made no sense.

With respect to claim amendments, Congress created a material difference between (i) initial examination and reexamination, which permit multiple rounds of iterative claim amendments, and (ii) adjudicative proceedings, which do not. As noted above, under the AIA, the patentee does not have the liberal right —or any right—to amend patent claims in post-issuance proceedings. *See id.*, § 316(d).

Indeed, Congress eliminated inter partes reexamination because it had proved impractical to incorporate adversarial participation into a procedure allowing the patentee multiple claim amendments. H.R. Rep. 112-98, pt. 1, at 45-46.

II. The PTO's Promulgation of the BRI Rule is Invalid.

A. The AIA Does Not Give the PTO Substantive Rulemaking Authority.

The Federal Circuit also erred in concluding that Congress granted authority to the PTO to adopt a rule that would alter the standard used to determine the scope of issued patents when assessing their validity in post-grant proceedings. Changing the applicable standard would amount to substantive rulemaking authority, yet nothing in the AIA confers such authority on the PTO.

Congress has never extended substantive rulemaking authority to the PTO. Prior to the AIA's enactment, the PTO's existing authority was limited to promulgating procedural rules governing the conduct of examination proceedings under Section 2(b)(2)(A). 35 U.S.C. § 2(b)(2)(A). Consistent with that limited procedural rulemaking authority, § 316 of the AIA merely directs the PTO to promulgate regulations "establishing and governing" IPRs "and the relationship of such review to other proceedings under this title," 35 U.S.C. § 316(a)(4). No language in the AIA authorizes the PTO to promulgate rules that alter the substantive rights conferred by the grant of a patent, including authority to invalidate

issued patent claims by applying an artificially broad claim scope.[9]

Section 316 specifically identifies regulations the PTO was to promulgate, such as regulations providing for public access to the file of the proceeding in certain proscribed circumstances; establishing standards for the discovery of relevant evidence, "including that such discovery shall be limited" in certain proscribed ways; and providing either party the right to an oral hearing. *Id.* § 316(a)(5). The House Report's discussion of § 316(a) does not suggest any grant of rulemaking authority beyond what is expressly identified in that provision. *See* H.R. Rep. No. 112-98, pt. 1, at 76.

The BRI Rule is plainly a substantive rule, and therefore it is beyond the rulemaking authority of the PTO. *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336 (Fed. Cir. 2008) (stating "[a] rule is 'substantive' when it 'effects a change in existing law or policy' which 'affect[s] individual rights and obligations.'"). A broad standard for claim

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[9] The absence of any language in the AIA expanding the PTO's narrow rulemaking authority contrasts with the broad, express authority Congress has granted to other agencies. When Congress intends to delegate rulemaking authority, it makes that purpose clear. *See, e.g.*, 38 U.S.C. § 501 (Secretary of Veterans Affairs authorized to prescribe "all rules and regulations which are necessary or appropriate to carry out the laws administered by the Department..."); 5 U.S.C. § 8347(a) (Office of Personnel Management has authority to prescribe "such regulations as are necessary and proper to carry out [the Civil Service Retirement Act]").

construction can be outcome determinative as to the validity of a patent, which is "personal property" of the patent owner. 35 U.S.C. § 261. Indeed, the Federal Circuit recently affirmed the PTO's invalidation of patent claims under the BRI Rule in light of the prior art, while explaining that the panel would have reached a different conclusion had the *Phillips* standard applied. *PPC Broadband, Inc. v. Corning Optical Comm'ns. RF, LLC*, Nos. 2015-1361, 2015-1366, 2015-1368, 2015-1369, 2016 U.S. App. LEXIS 3022, at *10-12 (Fed. Cir. Feb. 22, 2016). (explaining that "[t]his case hinges on the claim construction standard applied—a scenario likely to arise with frequency."). Permitting the PTO to construe claims in a post-issuance adjudicative proceeding more broadly than would a court or the ITC will, in many instances, take legitimate, government-granted property rights from the patent owner. That is the epitome of substantive rulemaking.

In promulgating the substantive BRI Rule, the PTO has sought to vastly expand its authority over patent owners' property rights by fundamentally changing the way issued patents are interpreted, despite the lack of any indication in the AIA that Congress so intended. *Util. Air Regulatory Group v. EPA*, 134 S. Ct. 2427, 2444 (2014) (finding agency's interpretation of statute was "unreasonable because it would bring about an enormous and transformative expansion in [the agency]'s regulatory authority without clear congressional authorization"). The PTO's unwarranted application of BRI to issued patents undermines the property rights of patentees, improperly expanding the

universe of invalidating prior art and ignoring the patentee's efforts during prosecution to obtain narrower claim scope to avoid the prior art. The BRI Rule far exceeds the scope of the PTO's rulemaking authority conferred by Congress.

B. The BRI Rule is Not a Reasonable Interpretation of the AIA.

The BRI Rule is simply not a reasonable interpretation of the AIA and for that independent reason, it is invalid. *See Michigan v. EPA*, 135 S. Ct. 2699, 2706 (2015). The PTO "must operate within the bounds of reasonable interpretation" of the AIA. *Util. Air*, 134 S. Ct. at 2442. An agency's interpretation "must account for both the specific context in which ... language is used" in the AIA and "the broader context of the statute as a whole." *Id.* (citation omitted). It has not done so here. The PTO's adoption of the BRI Rule ignores the clear purpose of the AIA to create an alternative form of ***adjudicative*** proceeding. It also ignores the limited and largely illusory nature of motions to amend claims in IPR proceedings. In promulgating the BRI Rule, the PTO abandoned its obligation to "examine the relevant data and articulate a satisfactory explanation for its action." *Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983). An agency may not "fail[] to consider an important aspect of the problem" or "offer[] an explanation for its decision that runs counter to the evidence" before it. *Id.* Where, as here, the PTO promulgated a regulation inconsistent with the language and purpose of the governing statute, the regulation is invalid.

As discussed in Section I, *supra*, the BRI Rule is not consistent with the AIA's provisions, legislative history or Congress' intent to create "court-like proceedings" to adjudicate patent validity. H.R. Rep. No. 112-98, pt. 1, at 68. It is a fundamental tenet of patent law that issued claims should be interpreted the same way for purposes of adjudicating their validity and infringement, yet the BRI Rule undermines that principle. *See, e.g.*, *Peters v. Active Mfg. Co.*, 129 U.S. 530, 537 (1889) ("[t]hat which infringes, if later, would anticipate, if earlier"); *White v. Dunbar*, 119 U.S. 47, 51 (1886) (a patent claim is not "a nose of wax which may be turned and twisted in any direction"). There is no reasonable basis to conclude that Congress intended that the scope of an issued patent would be interpreted one way by courts in an infringement case and in a different way by the PTO in an IPR. Nor is there any reasonable basis to conclude that Congress intended the PTO to ignore the effort and expense invested by the patent applicant and the PTO during the original examination of a patent involved in an IPR proceeding—an approach that ignores where the PTO left off when it determined the patent should be granted.

The BRI Rule is an unreasonable interpretation of the AIA. Nothing in the language or legislative history of the AIA suggests that Congress intended to give the PTO substantive rulemaking authority or to create post-issuance review proceedings that violate fundamental principles of patent law and tilt the playing field against patent owners.

III. The Federal Circuit's Decision Permitting Conflicting Claim Construction Standards in Different Adjudicative Tribunals Undermines Sound Patent Policy.

The Federal Circuit's decision invites inconsistency and unpredictability in the meaning and value of issued patents. Use of the BRI Rule in post-issuance proceedings threatens the integrity of the patent system at the expense of public resources and public confidence.

Application of the BRI Rule is undermining the public's confidence in our patent system. The PTO has received 4,376 petitions for AIA post-grant review as of December 31, 2015, and the number of petitions is growing.[10] The scope and meaning of challenged claims is a central issue in most, if not all, of these proceedings. Thus far, the invalidity rates resulting from these IPR proceedings are far higher than those in the courts.[11] As a result, patent

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[10] *See* USPTO, *Patent Trial and Appeal Board Statistics*, http://www.uspto.gov/sites/default/files/documents/2015-12-1%20PTAB.pdf.

[11] *Compare A.* Simpson & H. Lee, *PTAB Kill Rates: How IPRs Are Affecting Patents*, available at http://www.law360.com/articles/699860/ptab-kill-rates-how-iprs-are-affecting-patents (stating that 88% of final decisions resulted in invalidation of at least one claim) *with* PricewaterhouseCoopers, "2013 Patent Litigation Study: Big cases make headlines, while patent cases proliferate," at 9, available at http://www.pwc.com/en_US/us/forensic-services/publications/assets/ 2013-patent-litigation-study.pdf (indicating that patent holder succeeded in about 63 percent of bench-tried cases and 77 percent of jury-tried cases).

owners are now seeing their personal property rights, established at the time of patent allowance, being taken away by the PTO in situations where they would have been sustained by the courts. Congress intended IPR proceedings to be efficient alternatives to litigation, but Congress never intended to upend the carefully-crafted bargains between inventors and the Government by enacting such a fundamental change in patent policy.

By broadly interpreting the scope of claims of issued patents, potentially untethered to statements made by the patentee during prosecution intended to narrow claim scope and overcome prior art, the BRI Rule creates unnecessary uncertainty as to claim scope. It also undermines the public notice function of the patent's prosecution history, which historically has provided the public important information about the scope and meaning of issued claims.[12] Uncertainty as to the scope of claims is costly to the inventive community and discourages innovation.

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[12] It is highly inefficient for PTAB panels to ignore the prosecution history reflecting months or years of work undertaken by patent examiners and applicants during the original examination to distinguish prior art and clarify claim scope—producing results inconsistent with the outcome a court would reach based on the prosecution history under *Phillips*. The development of the examination record represents a substantial investment of resources by the patentee and the PTO. The average patent prosecution consumes 27.4 months. USPTO, *Performance and Accountability Report 2014*, http://www.uspto.gov/about/stratplan/ar/USPTOFY2014PAR.pdf. Typical charges for preparing and filing an original application range from $7,622 to $11,944. Am. Intellectual Prop. Law Ass'n, *Report of the Economic Survey* I-90-91 (2015).

Indeed, this Court in *Markman* explained that "uniformity in the [claim construction] of a given patent" was critical in order to avoid a "zone of uncertainty which enterprise and experimentation may enter only at the risk of infringement claims [that] would discourage invention only a little less than unequivocal foreclosure of the field." 517 U.S. at 390; *see also General Elec. Co. v. Wabash Appliance Corp.*, 304 U. S. 364, 369 (1938) ("The limits of a patent must be known for the protection of the patentee, the encouragement of the inventive genius of others and the assurance that the subject of the patent will be dedicated ultimately to the public."). Such uncertainty adversely affects patent licensing, design-around, and other critical business decisions, contrary to the goals of the AIA.

Uncertainty over the scope of claims encourages unnecessary challenges to legitimate patent rights and increases patent costs. Claims that would be upheld under judicial claim construction rules could be invalidated when subjected to an overly broad reading under the BRI Rule. *See PPC Broadband*, 2016 U.S. App. LEXIS 3022 at *9-13. This is unfair to patent owners and an open invitation to gamesmanship. Moreover, the application of different standards in PTO and district court proceedings means that each proceeding's claim construction has no estoppel

effect for subsequent proceedings, further encouraging manipulation and abuse.[13]

The inconsistent results arising from application of the BRI Rule create a strong incentive for parties to challenge patent validity in post-issuance proceedings while patentees seek to enforce the same patent in district court. The BRI Rule exacerbates the problem by creating an avenue for inconsistent treatment of patents. Indeed, former PTO Director David Kappos testified to the House Judiciary Committee that "having the USPTO apply a different standard than the courts is leading, and will continue to lead, to conflicting decisions." *Innovation Act: Hearing on H.R. 3309 Before the H. Comm. On the Judiciary*, 113th Cong. 39-46 (2013) (statement of David J. Kappos, Partner, Cravath, Swaine & Moore LLP).

The need for uniformity, as between post-issuance adjudicative proceedings in the PTO on the one hand, and district court and ITC proceedings on the other, is all the more acute due to the large number of AIA post-issuance proceedings filed annually. In November 2015, the PTO reported on its Patent Trial and Appeal Board's ("PTAB") caseload as compared to the caseloads of federal district courts:

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[13] No other country's patent protection regime applies different standards for construing the meaning of claims in different adjudicative proceedings.

> The PTAB received 1,902 petitions from September 30, 2014 to September 30, 2015; in all of FY 2015, 2,127 complaints were filed in the Eastern District of Texas, 559 in the District of Delaware, 247 in the Central District of California, and 155 in the [N]orthern District of California. The number of PTAB filings in FY 2015 thus puts the PTAB ahead of all but one of the federal district courts in terms of patent disputes that they are handling.

USPTO, *Patent Public Advisory Committee 2015 Annual Report*, 49, (Nov. 2, 2015), http://www.uspto.gov/sites/default/files/documents/PPAC_2015_Annual_Report.pdf.

The rate of post-issuance filings in these proceedings has continued to increase in each year since their creation. On September 30, 2015, the PTO reported that 1,897 filings have been made in fiscal 2015, significantly exceeding last year's total. USPTO, *Patent Trial and Appeal Board Statistics* (Sept. 30, 2015), http://www.uspto.gov/sites/default/files/documents/2015-09-30%20PTAB.pdf. Many, if not most, of these patents are the subject of concurrent litigation. One study has found that 86.8% of patents in IPR or CBM proceedings are also in federal district court litigation. *See, e.g.*, Saurabh Vishnubhakat et al., Strategic Decision Making In Dual PTAB And District Court Proceedings (Feb. 16, 2016), available at http://assets.law360news.com/0758000/758761/ssrn-id2731002.pdf.

Lastly, the PTO's BRI Rule will impose significant burdens on the judiciary when the Federal Circuit faces multiple appeals involving differing constructions of the same claims by the PTAB and a district court. Such discrepancies will pose challenges for effective appellate review. *E.g.*, *PPC Broadband*, 2016 U.S. App. LEXIS 3022 at *9-13. Simultaneous review of discordant PTAB and district court claim constructions threatens to undermine the goal of uniformity that the Federal Circuit was created to achieve. "The crying need for definitive, uniform, judicial interpretation of the national law of patents, on which our citizens may rely and plan with some certainty, has been recognized for over 60 years." *Court of Appeals for the Federal Circuit–1981: Hearings on H.R. 2405 Before the Subcomm. on Courts, Civil Liberties, & the Admin. of Justice of the H. Comm. on the Judiciary*, 97th Cong. 42–43 (1981) (statement of the Hon. Howard T. Markey, C.J., Court of Customs and Patent Appeals).

In sum, the PTO's use of the BRI Rule in AIA post-issuance proceedings not only contravenes Congress' intent in creating an efficient adjudicatory alternative to district court litigation, it also threatens fundamental tenets of our patent system: that the "ordinary and customary meaning" of an issued patent's claims defines the invention's metes and bounds, and that the "claims are construed the same way for both invalidity and infringement." *Source Search Techs., LLC.* v. *LendingTree, LLC*, 588 F.3d 1063, 1075 (Fed. Cir. 2009). The Federal Circuit's endorsement of the BRI Rule to determine the validity of issued patents

upsets the "carefully crafted bargain" between patentees and the Government, and will only discourage U.S. businesses from creating and commercializing innovative new technologies.

CONCLUSION

Amici respectfully submit that the Court should reverse the Federal Circuit's decision and invalidate the BRI Rule as inconsistent with the AIA.

Respectfully submitted,

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